

## Development Research Group

### Knowledge in Development Note 2

#### Trade Policy for Development

June 2007

International trade is a major driver of economic growth. Multilateral (WTO) and regional trade agreements attract most attention, but unilateral policy reforms and technical change have been the major drivers of trade expansion. Increasingly that growth includes services, and is associated with flows of direct investment and the movement of people across borders.

Sustained long-term poverty reduction depends on stimulating economic growth, which in turn depends on trade policy reform. No economy has ever developed without integrating with the world economy. Developing countries have greatly reformed their trade policies in recent years. Average tariffs in developing countries have fallen from over 30 percent to around 13 percent, and the use of quantitative restrictions and exchange controls has fallen significantly. As a result, the share of traditional commodities in trade has fallen substantially. Manufacturers now account for almost 70 percent of total developing country merchandise exports, and as a group their share of world exports of manufactures has risen from 11 percent in 1980 to 35 percent in 2005.

Despite the great increase in international integration, liberalization of trade and investment remains deeply controversial, both because of pressures from interest groups that benefit from trade barriers and because the links between trade reform and economic development are complex. Many of the poorest countries have not managed to utilize trade opportunities for economic growth. All developing countries confront the challenge of designing trade and investment policies for service sectors; putting in place complementary measures to address both the inevitable pains from trade (adjustment costs) and to ensure that benefits are distributed more equitably; and identifying strategies that maximize the benefits of international cooperation – through formal trade agreements and “aid for trade” support. Particularly important are assessments of the impacts of trade and related policies within and between countries – including the effects of the ever-expanding number of preferential trade agreements on developing countries, especially those that are excluded.

#### **What does past research tell us?**

#### ***Trade liberalization is most beneficial when it complements and is complemented by other reforms***

Greater openness increases efficiency and stimulates growth as more productive firms export more and diversify into new and better products, while less productive ones are forced to improve their efficiency or exit the market. Reflecting increasing openness, developing countries have been expanding the number of products they export by 12 percent a year in recent years, raising productivity by close to 2 percent a year.<sup>1</sup> Such beneficial outcomes are conditional on a supportive domestic investment climate. Bank

research has found that a 10 percent increase in the trade-to-GDP ratio of well-regulated economies resulted in a 4 percent gain in income, whereas excessively regulated economies could lose, not gain, from more trade.<sup>2</sup>

Complementary policies are also important determinants of the poverty impacts of trade reforms. Trade liberalization will often be pro-poor, reflecting a prevailing bias in trade policy in many countries favoring wealthier groups in society. A case in point is Argentina, where the liberalization induced by the Mercosur trade agreement benefited poor households more on average than richer ones.<sup>3</sup> Similarly, liberalization of world sugar markets would reduce poverty in Brazil, not merely raise incomes of the wealthy, as is often alleged, in part through employment/income effects.<sup>4</sup>

But research has also shown that trade reform in very low-income countries may help only a small number of farmers move out of poverty.<sup>5</sup> Complementary measures, such as improvements in rural education and access to credit, are often needed to enhance the poverty reduction impacts of trade reforms. Improving rural education in China strongly complements attempts to improve access to protected agricultural markets by increasing workers' productivity and their mobility.<sup>6</sup>

Other examples of complementary measures include lowering international trade costs, which can have a significant impact in reducing poverty,<sup>7</sup> and adoption of genetically modified (Bt) cotton in Africa, which would amplify the gains from cotton subsidy reductions in rich countries.<sup>8</sup>

### ***Unilateral policy decisions are central to successful policy reforms***

Decisions by national governments to reform policies have been the most important source of liberalization, accounting for an estimated two-thirds of the 20 percentage-point reduction in average developing country tariffs over the past 20 years. Multilateral (WTO) and regional trade agreements contributed about a quarter and one tenth of the observed liberalization, respectively, in the 1990s.<sup>9</sup>

Although regional trade agreements are a major focal point for trade policy in developing countries – they are involved in over 200 such agreements, up from 50 in 1990 – their benefits are reduced by product exclusions and diversion of imports from the most efficient global suppliers.

### ***Trade and FDI are major and complementary channels of technology diffusion***

Imports from OECD countries are a major source of new knowledge and productivity for developing countries, giving firms access to R&D performed elsewhere.<sup>10</sup> The same is true for FDI, which not only enhances the productivity growth and exports of affiliates – in Indonesia the share of output of new affiliates exported rose by 10-20 percentage points<sup>11</sup> – but can have a significant positive effect on the sales and productivity performance of local suppliers to foreign plants: a 1 percentage point increase in FDI produced a 3 percent increase in the productivity of input suppliers in Lithuania.<sup>12</sup>

Policies to enhance the capacity to absorb and adapt technology are important complements to openness to trade and FDI, including pro-competitive regulation,

education and innovation policies – with appropriate interventions differing across countries by income level.<sup>13</sup>

### ***Liberalization of trade and investment of services matters for growth***

Policy reforms to increase international competition in services industries can boost growth prospects and enhance welfare. Countries with open financial and infrastructure service sectors have higher average growth rates by a factor of 1.5 percentage points or more.<sup>14</sup> Country-specific analyses of services liberalization document the relationship between more open and competitive services sectors and productivity performance of domestic manufacturing firms.<sup>15</sup> FDI in services is a major mechanism through which “good practices” and knowledge is diffused to host countries.

Exports of some services – e.g., tourism – have always been important for some developing countries. Technological changes and policy reforms have allowed many countries to increase their cross-border exports of services by more than 20 percent a year. But little progress to liberalize temporary movements of service providers has been made—an area of comparative advantage for developing countries that has greater potential to boost global welfare than complete merchandise trade liberalization.<sup>16</sup>

In many cases liberalization of international trade in services requires action on multiple fronts. For example, Bank research suggests that some \$1.4 billion could be saved every year if just one in ten U.S. patients were treated abroad for 15 standardized medical procedures.<sup>17</sup> One impediment to realizing such gains is that health insurance plans in OECD countries often impede trade in medical services. Modifying insurance contracts to make reimbursement independent of the location of the medical provider and extend to the associated travel costs would allow a greater share of the potential gains from trade to be realized.

Most of the potential gains from services policy reforms can be obtained by actions by the governments of developing countries. Detailed, country-specific analysis can identify where liberalization will be unambiguously beneficial and where better regulatory interventions are needed to complement the opening of services markets. A recent comprehensive study of Zambia is an example of such analysis, identifying both actions that should be taken by the government and areas where international cooperation is needed to improve service sector performance.<sup>18</sup>

### ***Substantial barriers continue to restrain developing country merchandise trade expansion***

Trade policies are complex and often non-transparent. A summary measure of the effects of tariffs and nontariff measures on welfare and on market access – the overall trade restrictiveness index (OTRI) – developed by DECRG for the *Global Monitoring Report*<sup>19</sup> reveals that low-income countries continue to confront significant market access restrictions. For many countries this increasingly reflects the effects of non-tariff measures, especially product standards. Such standards can be a powerful force for trade expansion, but there is also potential for using them as trade barriers, as has sometimes been the case through restrictions on genetically modified foods.<sup>20</sup> The OTRI analysis complements the policy implications of research on trade and poverty in low-income

countries, pointing to the need to assist countries comply with standards and lower compliance costs.

Policies affecting international trade flows often represent a complex trade-off between sound regulatory objectives, and unintended or undesired impacts on partner countries. Security and border protection is one such area, with recent research suggesting that although negative trade impacts to date are discernable in the data, they are relatively small.<sup>21</sup> International harmonization can be an appropriate response. In the case of product standards in textiles and clothing, for example, African exports are restricted considerably less in instances where international standards apply than is the case if non-harmonized standards are imposed in import markets.<sup>22</sup>

### *The impact of preferences*

Tariff preferences can potentially help poor economies expand and diversify exports and have been valuable for a number of countries that have the capacity to contest export markets. However, for many low-income countries preferences have been insufficient to offset their lack of competitiveness – what is needed are complementary measures supported by “aid for trade” to reduce operating and transport costs.<sup>23</sup>

The value of preference programs is eroded by administration costs, with rules of origin and other requirements on average being equivalent to some 4 percent of the value of exports – about the same as the average MFN tariff in OECD markets.<sup>24</sup> Preferences have also given rise to concerns that global, MFN liberalization under the Doha round will not benefit current beneficiaries, as preferential access is eroded. Research shows that any such erosion will be limited to relatively few countries and products.<sup>25</sup>

### *Agriculture remains important for developing countries*

Agricultural trade accounts for less than 9 percent of global trade and 11 percent of developing country exports, yet agricultural tariffs and subsidies account for 63 percent of the global cost of protection to developing countries.<sup>26</sup> Market access restrictions (tariffs) in both OECD and developing countries account for more than 90 percent of this cost.<sup>27</sup> In the industrial countries, two thirds of the tariff protection comes from non-transparent specific tariffs.<sup>28</sup> Reducing this protection matters because agricultural trade reform continues to be a key potential source of gains in terms of income growth, development and poverty reduction in developing countries.

A major new research project<sup>29</sup> documents long-term trends in agricultural distortions for 75+ countries, rich and poor. It highlights that there has been a huge amount of reform in developing countries since the mid 1980s. However, a strong anti-trade bias remains, resulting in inefficient allocation of resources in agriculture and lower farm productivity growth in developing countries. Moreover, an anti-agricultural bias prevails in the sense that if all goods markets globally were freed up, agricultural value added in developing countries would not only increase absolutely, but also relative to non-agricultural GDP. Since most of the poor in the world are developing country farmers, such a move would be a major contribution to poverty reduction globally.

Agricultural trade liberalization – both in industrial and developing countries – would not only contribute two-thirds of the overall potential welfare gains from

merchandise trade reforms to developing countries, but foster poverty reduction.<sup>30</sup> Agricultural import liberalization in poor countries helps the poor by reducing the costs of the staple foods that account for 70 percent of the spending of the poorest households. At the same time, such liberalization can help all those farm households in developing countries whose competitive strength is in cash crops, because they would become more profitable as and when economies open up more.

An unfortunate feature of the Doha negotiations has been the decision of the G-33 countries, supported by many NGOs and international institutions such as FAO, to propose exemptions for “Special Products” and create a special safeguard mechanism that would allow higher agricultural protection in developing countries. If used, such mechanisms can easily be detrimental to large groups of poor households in low-income countries. For example, a rice import ban in Indonesia – the leader of the G-33 coalition – has been found to increase poverty by 3 million people in 2005-6.<sup>31</sup> Bank research identifying the potential adverse development and poverty impacts of maintaining high levels of agricultural protection has been politically controversial, but is arguably an example of the value that rigorous empirical analysis can have in informing policy debates.<sup>32</sup>

### ***Reducing trade transactions costs is a priority to expand trade opportunities***

Trade liberalization is necessary but not sufficient to support successful integration of developing countries into the world trading system. Comprehensive trade facilitation reform to reduce trade transactions costs also plays a vital role.<sup>33</sup> Recent research shows that the potential gains from improving transparency are substantial – some \$150 billion or 7.5% of baseline 2004 trade in the APEC region.<sup>34</sup> For some countries improvements to infrastructure and related institutions could do more to boost trade than removal or remaining tariffs.<sup>35</sup> Upgrading quality of road infrastructure networks in Europe and Central Asia to the regional average could expand trade by \$45 billion – net of the costs of such road upgrades.<sup>36</sup>

Research based on data reported in *Doing Business in 2006* concludes that each day of delay reduces export volumes by 1 percent on average.<sup>37</sup> Put differently, each day is equivalent to distancing the country by about 100 km from all trading partners. For example, if the Central African Republic reduced its factory-to-ship time from 116 days to 22 (the average for the world), exports would nearly double.

Only about a quarter of these delays are due to poor road or port infrastructure. Three-quarters is due to administrative hurdles - numerous customs procedures, tax procedures, clearances and cargo inspections - often before the containers reach the port. The problems are magnified for landlocked African countries, whose exporters need to comply with different requirements at each border. Harmonizing (transit) transport and customs procedures is one way to increase efficiency.

### ***Managing contingent protection***

DECRG databases on antidumping and safeguard protection illustrate that developing countries not only have become the largest users of these instruments and that the share of their trade covered is higher than is the case for OECD nations.<sup>38</sup> The use of such instruments can help sustain general trade liberalization programs, as was found in

the case of Latin America,<sup>39</sup> but experience also reveals that such instruments can be captured by interest groups seeking to reimpose protection. In addition, the use of contingent protection is of course detrimental to targeted countries. An example is an ongoing project documenting the negative impacts of US antidumping measures on the incomes of producers of catfish in Vietnam.

### **The ongoing research agenda**

There are a number of major focal areas in our current research agenda on international integration.

#### ***Impacts of trade and investment policy reforms on efficiency and equity***

Up to date, comprehensive data on policies is a precondition for assessing the impact of trade reforms. We will be undertaking a major effort to collect data on services trade and investment policies, an area where little comparable information is available. We will also be working with partners to improve data on nontariff and regulatory measures, and continue to analyze the incidence and impacts of trade-related transactions costs.

These data will be combined with existing information on tariffs, subsidies and the use of contingent protection into new measures of trade restrictiveness, and used in research on the impacts of these policies on growth and poverty reduction.

#### ***Using trade to boost technical change and growth***

Research will continue to investigate the linkages between trade reform and growth – focusing on the role of improving process technology, producing new varieties, and improving the quality and lowering the prices of key inputs – not only goods, but also producer services.

An area of focus is improving existing analytical models that do a poor job of capturing the benefits from trade reform, partly because they do not deal adequately with the intra-industry dynamics of firm growth/decline and the rapid growth of new exports that follows successful liberalization. We are developing better methods that allow us to capture these variables. A first application of these new approaches was an assessment of the impacts of recent Chinese and Indian growth on other developing countries.<sup>40</sup> Current work shows that methodologies that allow for expansion in the range of available products – including services – greatly increases the benefits from trade reform, particularly when the effect of investment is taken into account.<sup>41</sup>

Also under way is empirical research on who gains and who loses among developing countries from current or prospective environmental and agricultural biotechnology policies, particularly in the presence of trade bans, process standards or strict labeling regulations on transgenic food. Initial results suggest that many developing countries – and especially their poorest households – would benefit from adopting genetically modified varieties of food crops, even if sales of those foods to Europe were curtailed.<sup>42</sup>

### ***Designing trade reforms to reduce poverty***

More work is needed to identify how trade policy and complementary reforms can reduce poverty in countries at differing levels of development. Better understanding which sets of “behind-the-border” policies can best stimulate poverty-reducing economic growth is especially important. A focal point of research on this subject will be the distribution chain and the variables that determine product level competitiveness. Research will also continue to focus on how households and firms adjust to trade reforms and the impact of such adjustment costs.

### ***Assessing the effectiveness of “pro-active” policies and “Aid for Trade”***

Most countries pursue policies to promote trade and investment growth including through export and investment promotion agencies, programs to co-finance industrial upgrading of firms, or policies to fund R&D. For example, there are more than 160 national and over 250 sub-national investment promotion agencies.<sup>43</sup> Ongoing research assesses the impact of such institutions and policies on trade and investment growth and its composition (e.g., diversification).

To assist donors and partner countries in ensuring an effective and efficient allocation of scarce aid resources, research also will investigate the economic impacts of trade-related aid interventions (“aid for trade”).

### ***Governance, transparency, and institutional reform to promote trade***

Much remains to be learned about the extent to which institutional trade-related reforms differ in their impacts across countries and sectors. Research here focuses inter alia on the role of contract enforceability in enabling participation in transnational production networks, and the political economy of reducing trade costs and regulatory reform, including trade-related corruption. An example of research in this vein is analysis of the relationship between the complexity of the structure of tariffs and revenue collection by Customs.<sup>44</sup>

### ***Design, impacts and enforcement of trade agreements***

Research will continue on the economic effects of trade agreements. This includes continued analysis of WTO and regional trade agreements, with an emphasis on the impact/appropriate design of “behind-the-border” cooperation – i.e., services-related, competition, investment, intellectual property policies, etc. – and the implementation and enforcement of negotiated agreements. Research will utilize a new database on WTO dispute settlement<sup>45</sup> and focus on ways to offset weaknesses in incentives to enforce trade agreements in small, low-income countries.<sup>46</sup>

[Contact: Bernard Hoekman, [Bhoekman@worldbank.org](mailto:Bhoekman@worldbank.org), 202-473-1185]

### **Endnotes**

Most Bank documents cited in this summary are available through the documents and reports portal of the World Bank <http://www-wds.worldbank.org/>. The word “processed”

describes informally reproduced works that may not be commonly available through library systems.

- <sup>1</sup> R. Feenstra and H. Kee. 2007. "Export Variety and Country Productivity." *The World Economy* 30(1): 5-21.
- <sup>2</sup> B. Bolaky and C. Freund. 2006. "[Trade, regulations and growth](#)." Policy Research Working Paper 3255 (Revised), World Bank, Washington, D.C.
- <sup>3</sup> G. Porto. 2006. "Using Survey Data to Assess the Distributional Effects of Trade Policy." *Journal of International Economics* 70(70): 140-160.
- <sup>4</sup> J. Ferreira-Filho and J. Horrigan. 2006. "The Doha Round, Poverty and Regional Inequality in Brazil." In *Poverty and the WTO*, eds., T. Hertel and L. A. Winters. Palgrave Macmillan and the World Bank.
- <sup>5</sup> B. Hoekman and M. Olarreaga, eds. 2007. *Impacts and Implications of Global Trade Reform on Poverty*, Brookings Institution, forthcoming.
- <sup>6</sup> T. Hertel and L. A. Winters, eds. 2006. *Poverty and the WTO*. Palgrave Macmillan and the World Bank.
- <sup>7</sup> G. Porto. 2007. "Trade Costs, Export Facilitation, and Poverty in Africa." Development Research Group, World Bank, processed.
- <sup>8</sup> K. Anderson and E. Valenzuela. 2007 "The World Trade Organization's Doha Cotton Initiative: A Tale of Two Issues," in *The World Economy* (forthcoming); and Anderson, K., E. Valenzuela and L.A. Jackson, "Recent and Prospective Adoption of Genetically Modified Cotton: A Global CGE Analysis of Economic Impacts," *Economic Development and Cultural Change* (forthcoming).
- <sup>9</sup> W. Martin and P. Messerlin. 2007. "Why is it so difficult? Trade liberalization under the Doha agenda." *Oxford Review of Economic Policy*, forthcoming.
- <sup>10</sup> B. Hoekman and B. Javorcik, eds. 2006. *Global Integration and Technology Transfer*. Washington, DC: World Bank and New York: Palgrave MacMillan.
- <sup>11</sup> J. Arnold and B. Javorcik. 2005. "[Gifted Kids or Pushy Parents? Foreign Acquisitions and Plant Performance in Indonesia](#)." Policy Research Working Paper 3597, World Bank, Washington, D.C.
- <sup>12</sup> B. Javorcik. 2004. "Does Foreign Direct Investment Increase the Productivity of Domestic Firms? In Search of Spillovers Through Backward Linkages." *American Economic Review* 94(3): 605-27.
- <sup>13</sup> B. Hoekman, K. Maskus, and K. Saggi. 2005. "Transfer of Technology to Developing Countries: Unilateral and Multilateral Policy Options." *World Development* 33(10): 1587-1602; D. Lederman, W. Maloney and L. Servén. 2005. *Lessons from NAFTA*. World Bank and Stanford University Press.
- <sup>14</sup> B. Hoekman. 2006. "Liberalizing Trade in Services: A Survey," Policy Research Working Paper 4030, World Bank, Washington, D.C.; A. Mattoo, R. Rathindran and A. Subramanian. 2006. "Measuring Services Trade Liberalization and its Impact on Economic Growth: An Illustration." *Journal of Economic Integration* 21:64-98; F. Eschenbach and B. Hoekman. 2006. "Services Policy Reform and Economic Growth in Transition Economies, 1990-2004." *Review of World Economics*, 142(4): 746-64.
- <sup>15</sup> J. Arnold, B. Javorcik and A. Mattoo. 2007. "[The Productivity Effects of Services Liberalization: Evidence from the Czech Republic](#)." Policy Research Working Paper 4109, World Bank, Washington, DC; J. Arnold, A. Mattoo and M. Narcisco. 2006. "[Services inputs and firm productivity in Sub-Saharan Africa: Evidence from firm-level data](#)." Policy Research Working Paper 4048, World Bank, Washington D.C.
- <sup>16</sup> T. Walmsley and L.A. Winters. 2005. "Relaxing the Restrictions on the Temporary Movement of Natural Persons: A Simulation Analysis," *Journal of Economic Integration* 20(4): 688-736.
- <sup>17</sup> A. Mattoo and R. Rathindran. 2006. "How Health Insurance Impedes Trade in Healthcare." *Health Affairs* 25(2): 358-368.

- <sup>18</sup> A. Mattoo and L. Payton, eds. 2007. *Services Trade and Development: The Experience of Zambia*. Palgrave-Macmillan and the World Bank.
- <sup>19</sup> H.L. Kee, A. Nicita, and M. Olarreaga. 2007. "Import demand elasticities and trade distortions." *Review of Economics and Statistics*, forthcoming; H.L. Kee, A. Nicita, and M. Olarreaga. 2007. "Estimating trade restrictiveness indices." *The Economic Journal*, forthcoming.
- <sup>20</sup> K. Anderson, L.A. Jackson and C.P. Nielsen. 2005. "GM Rice Adoption: Implications for Welfare and Poverty Alleviation." *Journal of Economic Integration* 20(4): 771-88.
- <sup>21</sup> D. Mirza and T. Verdier. 2006. "[Are Lives a Substitute to Livelihoods? Terrorism, Security, and US Bilateral Imports](#)." Policy Research Working Paper 4094. World Bank, Washington, D.C.
- <sup>22</sup> W. Czubala, B. Shepherd, and J.S. Wilson. 2007. "Help or Hindrance? The Impact of Harmonized Standards on African Exports." World Bank, Development Research Group, Washington, D.C., processed.
- <sup>23</sup> B. Hoekman. 2006. "Preference Erosion and the Doha Development Agenda." In *Reviving the Special and Differential Treatment of Developing Countries in International Trade*, eds., Jean-Marie Paugam and Anne-Sophie Novel. Paris: Institut Français des Relations Internationales.
- <sup>24</sup> J. Francois, B. Hoekman, and M. Manchin. 2006. "Preference Erosion and Multilateral Trade Liberalization," *World Bank Economic Review* 20(2): 197-216.
- <sup>25</sup> B. Hoekman, W. Martin and C. Braga. 2007. *Preference Erosion: Impacts and Policy Responses*. Palgrave MacMillan and the World Bank, forthcoming.
- <sup>26</sup> K. Anderson and W. Martin. 2006. "Agriculture, Trade Reform and the Doha Agenda." In *Agricultural Trade Reform and the Doha Development Agenda*, eds., K. Anderson, and W. Martin., Palgrave-Macmillan and the World Bank.
- <sup>27</sup> Anderson, K., W. Martin and E. Valenzuela 2006. "The Relative Importance of Global Agricultural Subsidies and Market Access." *World Trade Review* 5(3), 357-76
- <sup>28</sup> S. Jean, D. Laborde, and W. Martin. 2006. "Consequences of alternative formulas for agricultural tariff cuts." In *Agricultural Trade Reform and the Doha Development Agenda*, eds., K. Anderson and W. Martin. Palgrave-Macmillan and the World Bank.
- <sup>29</sup> K. Anderson, ed. 2008. *Distortions to Agricultural Incentives: A global perspective*. Palgrave Macmillan and the World Bank (forthcoming).
- <sup>30</sup> T. Hertel, R. Keeney, M. Ivanic and L. A. Winters 2007. "WTO agricultural reforms." *Economic Policy* 289-337.
- <sup>31</sup> World Bank 2006. "[Making the New Indonesia Work for the Poor](#)." Sector Report, Poverty Reduction and Economic Management Sector Unit, East Asia and Pacific *Region* World Bank, Washington DC.
- <sup>32</sup> M. Ivanic and W. Martin. 2007. "Potential Implications of Agricultural Special Products for Poverty in Low-Income Countries," processed.
- <sup>33</sup> J.S. Wilson, C.L. Mann, and T. Otsuki. 2005. "Assessing the Benefits of Trade Facilitation: A Global Perspective." *The World Economy* 28(6): 841-71.
- <sup>34</sup> M. Helble, B. Shepherd, and J.S. Wilson. 2007. "Transparency and Regulatory Reform in the Asia Pacific Region: The Trade and Development Dimension." Development Research Group, World Bank, processed.
- <sup>35</sup> J. Francois and M. Manchin. 2006. "[Institutions, Infrastructure, and Trade](#)." Policy Research Working Paper 4152. World Bank, Washington, D.C.
- <sup>36</sup> B. Shepherd and J.S. Wilson. 2006. "[Road Infrastructure in Europe and Central Asia: Does Network Quality Affect Trade?](#)" Policy Research Working Paper 4104. World Bank, Washington, D.C.

- <sup>37</sup> S. Djankov, C. Freund and C. Pham, 2006. “[Trading on Time](#).” Policy Research Working Paper 3909, World Bank, Washington, D.C.
- <sup>38</sup> C. Bown. 2006. “Global Antidumping Database, Version 2.1.” at <http://econ.worldbank.org/programs/trade>.
- <sup>39</sup> J. M. Finger and J. Nogues, eds. 2006. *Safeguards & Antidumping in Latin American Trade Liberalization: Fighting Fire with Fire*. Washington, DC: World Bank.
- <sup>40</sup> B. Dimaranan, E. Ianchovichina and W. Martin, W. 2007. “Competing with giants: who wins, who loses?” In *Dancing with Giants: China, India and the Global Economy*, eds., L. A. Winters and S. Yusuf. Washington DC: World Bank: Singapore: Institute of Policy Studies.
- <sup>41</sup> E. Balistreri, T. Rutherford and D. Tarr 2007. ‘Modeling Services Liberalization: The Case of Kenya’ Paper presented at the Tenth Annual Conference on Global Economic Analysis, Purdue University, June 7-9. [www.gtap.org](http://www.gtap.org).
- <sup>42</sup> K. Anderson and L.A. Jackson. 2005. “Implications of Genetically Modified Food Technology Policies for Sub-Saharan Africa.” *Journal of African Economies* 14(3): 385-410.
- <sup>43</sup> T. Harding and B. Javorcik. 2007. “Developing economies and international investors: Do investment promotion agencies bring them together?” World Bank, Washington D.C., processed.
- <sup>44</sup> B. Javorcik and G. Narisco. 2007. “[Differentiated Products and Evasion of Import Tariffs](#),” World Bank Policy Research Working Paper 4123, Washington DC.
- <sup>45</sup> WTO dispute settlement database, at <http://econ.worldbank.org/programs/trade>; B. Hoekman, H. Horn and P. Mavroidis. 2007. “Winners and Losers in the WTO Dispute Settlement System,” processed.
- <sup>46</sup> F. Eschenbach and B. Hoekman. 2006. “Services Policies in Transition Economies: On the EU and WTO as Commitment Mechanisms.” *World Trade Review* 5(3): 415-43; A. Mattoo. 2005. Services in a Development Round: Three Goals and Three Proposals, *Journal of World Trade*, 39:1223-1238.